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State of Utah

Department of Natural Resources

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Executive Director

Division of Oil, Gas & Mining

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

January 20, 2005

CERTIFIED RETURN RECEIPT
7099 3400 0016 8896 1607

Mr. Mark Willis
BMW Stone, Incorporated
2565 South State Road 32
Wanship, Utah 84017-9747

Subject: Five-Year Review of Reclamation Surety Estimate, BMW Stone, Inc.,
Browns Canyon Rock Quarry, M/043/021, Summit County, Utah

Dear Mr. Willis:

Thank you for providing the requested information regarding the five-year review status of your Browns Canyon Rock Quarry, located in Summit County, Utah. The last surety estimate for this mine was \$25,026 in 2004 dollars. Upon reviewing the information you furnished, along with the map drafted by the Division (attached), we have estimated the revised surety to be \$57,900 in year 2009 dollars. A surety Estimate Update is also attached. This acreage figure includes the 6.26 acres being transferred from Park City Stone Mill, the original 9.1 acres you initially permitted and the additional 2.53 acres you are expanding onto, which brings the total area to be bonded to 17.8 acres.

Please provide the updated \$57,900 surety within 60 days or no later than March 21, 2005. You may provide a rider to the existing surety or post another form of surety. If you post another form of surety, please contact Joelle Burns at (801) 538-5291 to obtain the current bonding forms or you may access the current forms on the internet at www.nr.utah.gov. We will also require that you also replace the Reclamation Contract, which is also located on the web. Please fax a "draft" copy of the documents so we can review them for completeness and accuracy before they are finalized.

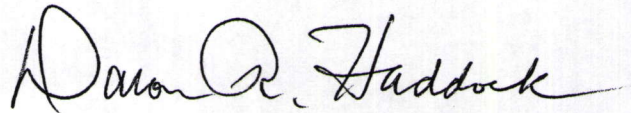
When we receive the required surety, we will be able to forward the permit transfer document from Park City Stone Mill to BMW Stone, Inc. to our Director

Mark Willis
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for execution. We will then forward copies of the all signed and executed documents to you when they are finalized.

If you are unable to provide the surety within this timeframe, please contact the Division with justification for requesting additional time. Thank you for your help in keeping the surety current and finalizing the permit transfer. If you have any questions concerning this letter, please contact Doug Jensen at (801) 538-5382.

Sincerely,

A handwritten signature in black ink that reads "Daron R. Haddock". The signature is fluid and cursive, with the first name "Daron" being more prominent than the last name "Haddock".

Daron R. Haddock
Permit Supervisor
Minerals Regulatory Program

DRH:dj:jb
Attachment: Map, Surety estimate update
Doug Jensen, DOGM
O:\M043-Summit\M0430021-BrownsCynRock-BMW\Draft\bond-update-01202005.doc

RECLAMATION SURETY ESTIMATE

BMW Stone

last revision

Browns Canyon Stone Quarry

filename M043-021.xls

DOGM file Number M/043/021

Summit County

Prepared by Utah State Division of Oil, Gas & Mining

This surety estimate covers a five year escalation for BMW's original disturbance and the inclusion of and additional 6.26 acres of the adjoining Park City Stone Mill (M/043/022).

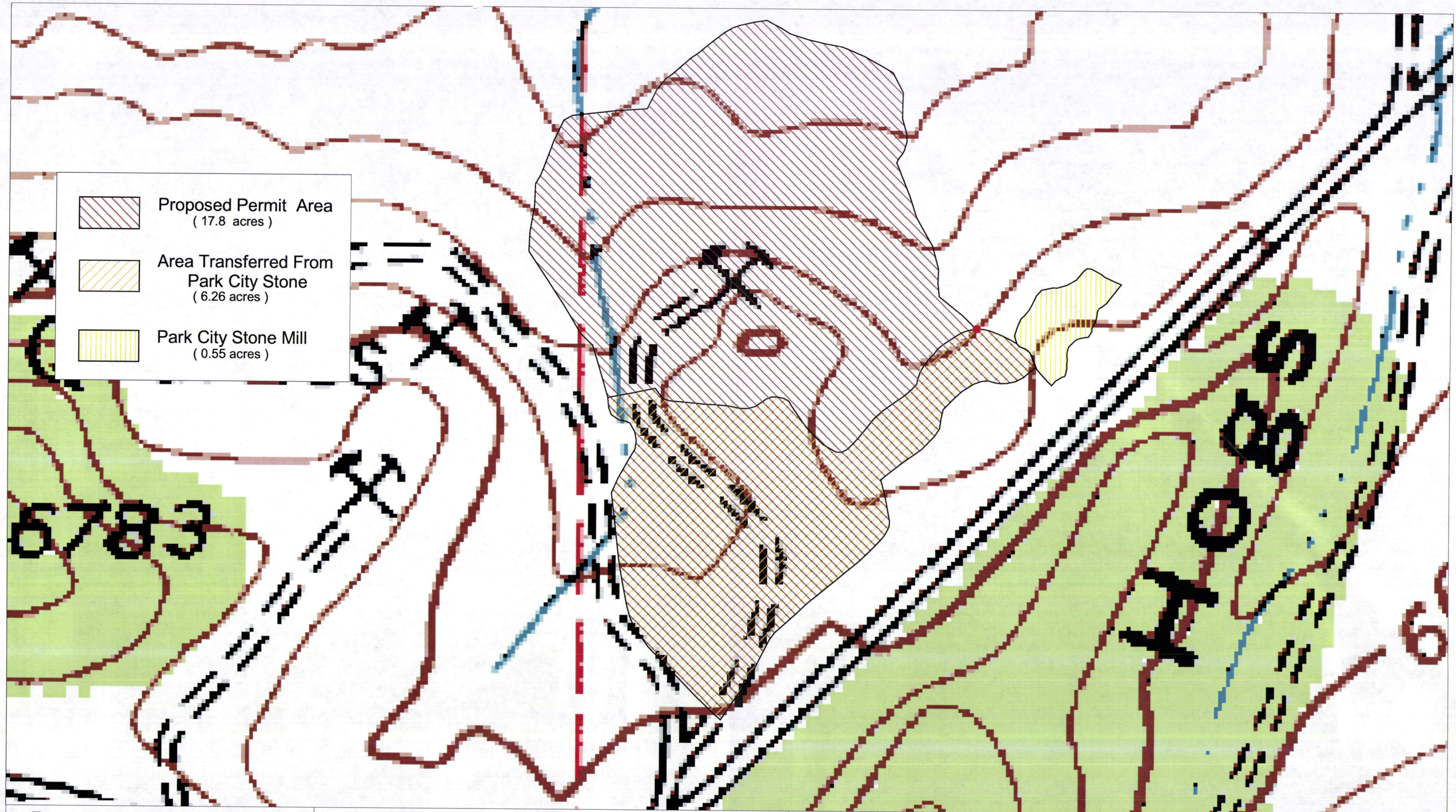
The Division has received a letter from the land owner asking that the 6.26 acre Park City millsite not be reclaimed. Recontouring and seeding of this area not included in the surety estimate.

Note: actual unit costs may vary according to site conditions last unit cost update 10/07/02

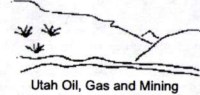
-Amount of disturbed area which will receive reclamation treatments = 11.54 acres

-Estimated total disturbed area for this mine = 17.8 acres

Activity	Quantity	Units	\$/unit	\$	Note
Safety gates, signs, etc (mtls & installation)	1	Sum	200	200	(1)
Demolition of buildings & facilities	2	lump sum	1000.00	2000	(2)
Debris & equipment removal - trucking	8	trips	55.00	440	(3)
Debris & equipment removal - dump fees	40	ton	60	2400	(4)
Debris & equipment removal - loading trucks w/FEL	4	hours	180	720	(5)
Demolition & debris removal - general labor	40	hours	15	600	(6)
Regrading facilities areas (2ft depth)	0	acres	613	0	(7)
Regrading waste dump slopes	25000	CY	0.60	15000	(8)
Ripping waste dump tops	11.54	acre	246	2839	(9)
Ripping stockpile & compacted areas	0	acre	246	0	(9)
Ripping pit floors	0	acre	246	0	(9)
Ripping pit access roads (2ft depth)	0	acre	613	0	(9)
Creating safety berms or barriers around highwalls	0	LF	0.20	0	(10)
Ripping access roads- dozer	0	acre	246	0	(9)
Regrading access roads - dozer	0	acre	246	0	(9)
Sidecast mtl replacement of steep slopes - trackhoe	0	LF	1.16	0	(11)
Surface drainage restoration or construction	325	LF	0.20	65	(10)
Topsoil replacement - dozer	18000	CY	0.50	9000	(12)
Topsoil replacement - scraper	0	CY	1.19	0	(13)
Topsoil replacement- truck and FE loader	0	CY	2.60	0	(14)
Mulching (2 ton/acre alfalfa/straw)	0	acre	350	0	(00)
Fertilizing (100 lb/acre diammonium phosphate)	0	acre	90	0	(00)
Composted manure (10 ton/acre)	11.54	acre	300	3462	(00)
Broadcast seeding	11.54	acre	240	2770	(00)
Drill Seeding	0	acre	205	0	
Hydroseeding	0	acre	800	0	
General site cleanup & trash removal	12	acre	50	600	(00)
Equipment mobilization	1	equip	2000	2000	(00)
Reclamation supervision -10% of reclamation estimate				4185	(15)
	Subtotal			46280	
10% Contingency				4628	
	Subtotal			50908	
Escalate for 5 years at 2.59% per year				6943	
	Total			57852	
Rounded surety amount in year 2009 \$				57900	
Average cost per disturbed acre =				3250	



-  Proposed Permit Area
(17.8 acres)
-  Area Transferred From
Park City Stone
(6.26 acres)
-  Park City Stone Mill
(0.55 acres)



Dept. of Natural Resources
Division of Oil, Gas & Mining
Mineral Mines Program

Different data sources and input scales
may cause misalignment of data layers.
This product may not meet survey
standards for accuracy and content.



0 100 200 300 400 Feet

Park City East Quad

Portions of:
NW 1/2 of the NW 1/4 of the SW 1/4,
SW 1/4 of the NW 1/4 of the SW 1/4, and the
SW 1/4 of the SW 1/4 of the NW 1/4 of Sec. 21
and the SE 1/4 of the SE 1/4 of the NE 1/4 and
the NE 1/4 of the NE 1/4 of the SE 1/4 of Sec. 20.
T 1 S, R 5 E, SLBM. Summit County, Utah

BMW Stone, Inc.
Browns Canyon Rock Quarry
M/043/021

August 25, 2004

Drafted by LK